

Distribution II

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CIA-WEAPONS

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WASHINGTON (AP) -- THE LUCRATIVE TRADE IN U.S. WEAPONS TECHNOLOGY ABROAD IS PROMPTING A NUMBER OF FORMER CIA OFFICIALS, INCLUDING A PAST DEPUTY DIRECTOR, TO CASH IN ON THEIR GOVERNMENT EXPERTISE AND CONTRACTS.

GEN. VERNON WALTERS, THE CIA'S NO. 2 MAN FROM 1972-76, RECEIVED \$300,000 EARLY THIS YEAR FROM A COMPANY THAT SPECIALIZES IN SELLING SOPHISTICATED MILITARY TECHNOLOGY TO FOREIGN COUNTRIES, ACCORDING TO GOVERNMENT DOCUMENTS AND INTERVIEWS WITH THE PRINCIPALS.

WHILE THERE IS NO SUGGESTION THAT WALTERS' DEALINGS WERE IN ANY WAY ILLEGAL, THEY HIGHLIGHT SOME QUESTIONS ABOUT RESTRICTING BUSINESS ACTIVITIES OF FORMER INTELLIGENCE OFFICIALS. CIA OFFICIALS HAVE ACCESS TO SENSITIVE GOVERNMENT SECRETS; THEY DEVELOP CONTACTS WITH HIGH-RANKING FOREIGN OFFICIALS; AND THERE IS A COMMON SUSPICION THAT THEY STILL WORK FOR THE CIA EVEN AFTER THEY RESIGN.

WALTERS, NOW AN AMBASSADOR-AT-LARGE AT THE STATE DEPARTMENT AND A KEY FIGURE IN PRESIDENT REAGAN'S FOREIGN POLICY, SAID HE CONTACTED TOP MOROCCAN OFFICIALS ON BEHALF OF A FIRM INTERESTED IN MODERNIZING MOROCCO'S TANK CORPS.

IN AN INTERVIEW WITH THE ASSOCIATED PRESS, WALTERS SAID HIS MAIN WORK FOR THE COMPANY, ENVIRONMENTAL ENERGY SYSTEMS INC., WAS "PUTTING THEM (COMPANY OFFICIALS) IN TOUCH WITH THE RIGHT PEOPLE."

MOROCCO TENTATIVELY AGREED TO PAY ENVIRONMENTAL ENERGY SYSTEMS \$190 MILLION FOR REFITTING ITS TANKS WITH SOPHISTICATED LASER TARGETING, NIGHT-VISION EQUIPMENT AND NEW ENGINES, SAID THE COMPANY'S PRESIDENT, JOHN R. McLANE.

THE DEAL FELL THROUGH, HE SAID, WHEN THE U.S. GOVERNMENT AGREED TO SUPPLY MOROCCO WITH NEW AMERICAN TANKS.

WALTERS SAID HE ALSO WAS INVOLVED WITH THE COMPANY'S MILITARY SALES PROPOSALS TO SPAIN, SOUTH KOREA AND BRAZIL, ADDING: "I WOULD NOT DO ANYTHING WITH ANY COUNTRY THAT WAS NOT A FRIEND OF THE UNITED STATES."

OTHERS MAY NOT HAVE BEEN SO DISCRIMINATING.

THE HOUSE INTELLIGENCE COMMITTEE ANNOUNCED PLANS LAST WEEK TO INVESTIGATE FORMER CIA OPERATIVE EDWIN WILSON, WHO ALLEGEDLY USED HIS CIA CONTRACTS AND EXPERIENCE TO ILLEGALLY PEDdle ADVANCED WEAPONS TECHNOLOGY TO LIBYAN LEADER MOAMMAR KHADAFY.